usually longer because of several factors that are external to the basic FDI regime such as acquisition of land, obtaining various statutory clearances, tying up funding arrangements etc. Investment is also dependent on the commercial judgement of investors.

With a view to facilitating FDI inflows, Government have permitted FDI/ NRI/OCB investment upto 100% in all items/activities under automatic route except a small negative list. Further, prior approval of REI for FDI proposals under automatic/FIPB route has been dispensed and the Indian companies have been given general permission to receive inward remittance of foreign exchange, subject to the condition that they file the required documents with RBI within 30 days of issue of the shares.

Foreign Equity Permission for Indian Companies

5214. SHRI BRAHMAKUMAR BHATT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the coastal trade vis-a-vis foreign direct investment of Indian companies have been reviewed;

(b) if so, the foreign equity upto which Indian companies are permitted; and

(c) the details of observations made by the Ministries of Industry and Shipping?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) to (c) As per extant policy, trading is allowed with FDI upto 51% under the automatic route provided it is primarily related to export activities and the undertaking is an export house/ trading house / super trading house/star trading house. Foreign Direct Investment upto 100% is permitted under the Foreign Investment Promotion Board (FIPB) route in respect of limited trading activities.

Under the current policy FDI, upto 100% can also be allowed in Indian shipping companies.

Decline in Growth Rate of Capital Goods

5215. SHRI BRAHMAKUMAR BHATT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the growth rate of capital goods, consumer durables, automobiles and cement industry is steadily decreasing;